

# PATENT COOPERATION TREATY

## PCT

### INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

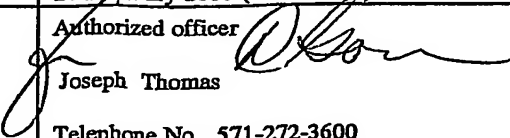
(Chapter II of the Patent Cooperation Treaty)

(PCT Article 36 and Rule 70)

REC'D 08 MAY 2006

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Applicant's or agent's file reference <b>MCEA-P5-04</b>	<b>FOR FURTHER ACTION</b>		See Form PCT/IPEA/416																								
International application No. <b>PCT/US04/37000</b>	International filing date (day/month/year) <b>04 November 2004 (04.11.2004)</b>	Priority date (day/month/year) <b>05 November 2003 (05.11.2003)</b>																									
International Patent Classification (IPC) or national classification and IPC  <b>IPC: G06Q 40/00(2006.01)</b> <b>USPC: 705/4,35,38</b>																											
Applicant <b>CABALLERO, CRISPINA</b>																											
<p>1. This report is the international preliminary examination report, established by this International Preliminary Examining Authority under Article 35 and transmitted to the applicant according to Article 36.</p> <p>2. This REPORT consists of a total of <u>4</u> sheets, including this cover sheet.</p> <p>3. This report is also accompanied by ANNEXES, comprising:</p> <p style="margin-left: 20px;">a. <input checked="" type="checkbox"/> (sent to the applicant and to the International Bureau) a total of <u>13</u> sheets, as follows:</p> <div style="margin-left: 40px;"> <input type="checkbox"/> sheets of the description, claims and/or drawings which have been amended and are the basis of this report and/or sheets containing rectifications authorized by this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions).  <input type="checkbox"/> sheets which supersede earlier sheets, but which this Authority considers contain an amendment that goes beyond the disclosure in the international application as filed, as indicated in item 4 of Box No. I and the Supplemental Box.         </div> <p style="margin-left: 20px;">b. <input type="checkbox"/> (sent to the International Bureau only) a total of (indicate type and number of electronic carrier(s)) _____, containing a sequence listing and/or tables related thereto, in electronic form only, as indicated in the Supplemental Box Relating to Sequence Listing (see Section 802 of the Administrative Instructions).</p>																											
<p>4. This report contains indications relating to the following items:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 10%; text-align: center;"><input checked="" type="checkbox"/></td> <td style="width: 20%;">Box No. I</td> <td>Basis of the report</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Box No. II</td> <td>Priority</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Box No. III</td> <td>Non-establishment of opinion with regard to novelty, inventive step and industrial applicability</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Box No. IV</td> <td>Lack of unity of invention</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Box No. V</td> <td>Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Box No. VI</td> <td>Certain documents cited</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td>Box No. VII</td> <td>Certain defects in the international application</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td>Box No. VIII</td> <td>Certain observations on the international application</td> </tr> </table>				<input checked="" type="checkbox"/>	Box No. I	Basis of the report	<input type="checkbox"/>	Box No. II	Priority	<input type="checkbox"/>	Box No. III	Non-establishment of opinion with regard to novelty, inventive step and industrial applicability	<input type="checkbox"/>	Box No. IV	Lack of unity of invention	<input checked="" type="checkbox"/>	Box No. V	Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement	<input type="checkbox"/>	Box No. VI	Certain documents cited	<input checked="" type="checkbox"/>	Box No. VII	Certain defects in the international application	<input type="checkbox"/>	Box No. VIII	Certain observations on the international application
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Date of submission of the demand <b>22 December 2005 (22.12.2005)</b>		Date of completion of this report <b>20 February 2006 (20.02.2006)</b>																									
Name and mailing address of the IPEA/ US Mail Stop PCT, Attn: IPEA/US Commissioner for Patents P.O. Box 1450 Alexandria, Virginia 22313-1450 Facsimile No. (571) 273-3201		Authorized officer  Joseph Thomas Telephone No. 571-272-3600																									

## INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.

PCT/US04/37000

## Box No. I Basis of the report

## 1. With regard to the language, this report is based on:

- ☒ the international application in the language in which it was filed.
- ☐ a translation of the international application into \_\_\_\_\_, which is the language of a translation furnished for the purposes of:
- ☐ international search (under Rules 12.3 and 23.1(b))
  - ☐ publication of the international application (under Rule 12.4(a))
  - ☐ international preliminary examination (under Rules 55.2(a) and/or 55.3(a))

2. With regard to the elements of the international application, this report is based on *(replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this report as "originally filed" and are not annexed to this report)*:

- ☐ the international application as originally filed/furnished
- ☒ the description:  
pages 1-19 as originally filed/furnished  
pages\* NONE received by this Authority on \_\_\_\_\_  
pages\* NONE received by this Authority on \_\_\_\_\_
- ☒ the claims:  
pages NONE as originally filed/furnished  
pages\* NONE as amended (together with any statement) under Article 19  
pages\* 20-32 received by this Authority on 22 December 2005  
pages\* NONE received by this Authority on \_\_\_\_\_
- ☒ the drawings:  
pages 1-17 as originally filed/furnished  
pages\* NONE received by this Authority on \_\_\_\_\_  
pages\* NONE received by this Authority on \_\_\_\_\_
- ☐ a sequence listing and/or any related table(s) - see Supplemental Box Relating to Sequence Listing.

3. ☐ The amendments have resulted in the cancellation of:

- ☐ the description, pages \_\_\_\_\_
- ☐ the claims, Nos. \_\_\_\_\_
- ☐ the drawings, sheets/figs \_\_\_\_\_
- ☐ the sequence listing (*specify*): \_\_\_\_\_
- ☐ any table(s) related to the sequence listing (*specify*): \_\_\_\_\_

4. ☐ This report has been established as if (some of) the amendments annexed to this report and listed below had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

- ☐ the description, pages \_\_\_\_\_
- ☐ the claims, Nos. \_\_\_\_\_
- ☐ the drawings, sheets/figs \_\_\_\_\_
- ☐ the sequence listing (*specify*): \_\_\_\_\_
- ☐ any table(s) related to the sequence listing (*specify*): \_\_\_\_\_

\* If item 4 applies, some or all of those sheets may be marked "superseded."

## INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY

International application No.  
PCT/US04/37000**Box No. V Reasoned statement under Article 35(2) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement****1. Statement**

Novelty (N)	Claims <u>1-67</u>	YES
	Claims <u>NONE</u>	NO
Inventive Step (IS)	Claims <u>NONE</u>	YES
	Claims <u>1-67</u>	NO
Industrial Applicability (IA)	Claims <u>1-67</u>	YES
	Claims <u>NONE</u>	NO

**2. Citations and Explanations (Rule 70.7)**

Claims 1-67 lack an inventive step under PCT Article 33(3) as being obvious over Best-Devereux (US 2002/0082875) in view of Hammond et al (US 5,712,984).

Best-Devereux discloses a system and method for distributing risk among selected assumers for reinsurance negotiations (See abstract, Fig 3, par. 0026-0033). Best-Devereux further discloses that the submitting party or parties and the ceding company may negotiate the portion of risk that the potential reinsurer is willing to assume through a series of offers and counteroffers (par. 0036-0043). Furthermore, Best-Devereux discloses that the information exchanged among the parties may include various high liability/high price and low liability/low cost options (par. 0089), but does not expressly disclose the steps of calculating an insurance reserve requirement to determine capital requirements for the insurer.

Hammond discloses a system and method for predicting/calculating required insurance cash reserves. (col. 14, line 4-col. 16, line 22) Hammond further discloses that the reserve amount may be adjusted and reportioned as needed. (col. 17, line 16-col. 18, line 19) At the time of the applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method and system of Best-Devereux with the teaching of Hammond to calculate and allocate the required insurance reserves. As suggested by Hammond, one would have been motivated to include this feature to allow insurers to budget and forecast more accurately, thereby reducing potential losses and improving the overall financial solvency of the insurance carrier. (col. 2, lines 6-11)

Claims 1-67 meet the criteria set out in PCT Article 33(4), and thus have industrial applicability because the subject matter claimed can be made or used in industry.

The applicant's arguments regarding the applied references have been considered, but are not persuasive. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references.

The Applicant further suggests that Hammond is non-analogous art, because it is directed toward worker's compensation, not reinsurance. In response to applicant's argument that Hammond is nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. In the present case, the Examiner submits that the worker's compensation functions a type of insurance for individuals who have been individuals who have been injured at the workplace. Moreover, "r insurance" is merely insurance for insurance companies. Therefore, both the prior art and the claimed invention deal in the area of insurance. Moreover, both the prior and the applicant's invention address the issue of raising and allocating sufficient reserves for insurance purposes. As such, the Hammond reference is analogous to the problem being addressed and to the applicant's field of endeavor.

**INTERNATIONAL PRELIMINARY REPORT ON PATENTABILITY**

International application No. **PCT/US04/37000**

**Box No. VII Certain defects in the international application**

The following defects in the form or contents of the international application have been noted:

Claim 61 is objected to under PCT Rule 66.2(a)(iii) as containing the following defect(s) in the form or contents thereof: Two claims have been numbered "claim 61."